



**STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097**

IN REPLY REFER TO:

Board of Land and
Natural Resources
State of Hawaii
Honolulu, Hawaii

**RESCISSION OF PRIOR BOARD ACTION OF JANUARY 8, 2010,
UNDER ITEM M-3, ISSUANCE OF NON-EXCLUSIVE
ON-DEMAND AIRPORT-BASED SHUTTLE BUS
CONCESSION AND AUTHORIZATION TO ISSUE AN
EXCLUSIVE ON-DEMAND SHUTTLE SERVICES CONCESSION
AT HONOLULU INTERNATIONAL AIRPORT THROUGH
A REQUEST FOR PROPOSALS**

OAHU

On January 8, 2010, under agenda Item M-3, and pursuant to Chapter 102, Hawaii Revised Statutes, relating to Concessions, the Land Board authorized the Department of Transportation (DOT) to offer for bid a Non-Exclusive On-Demand Airport-Based Shuttle Bus Concession at Honolulu International Airport on the Island of Oahu.

Subsequent to the pre-bid meeting, the DOT received feedback from the ground transportation industry which indicated a sizeable portion of the industry had significant concerns about the concession as structured in the bid documents. As a result of this input, the DOT cancelled the request for bids and determined that the best way to address the comments was to re-issue the concession through a request for proposals.

PURPOSE:

To rescind the prior Board action of January 8, 2010, under Item M-3, and authorize issuance of the concession through a request for proposal.

LEGAL REFERENCE:

Chapter 102, Hawaii Revised Statutes, as amended.

Section 102-2(b) provides in part, "The bidding requirements of subsection (a) shall not apply to concessions or space on public property set aside for the following purposes:

BLNR – Recission of Prior Board
Action of January 8, 2010, Item M-3
Shuttle Bus Concession
Honolulu International Airport

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(1) For operation of ground transportation services and parking lot operations at airports, except for motor vehicle rental operations under chapter 437D;...”

LOCATION:

Honolulu International Airport (HNL), Terminal Building Complex.

PREMISES:

For bus parking, passenger pickup and drop off, office and ticket sales
As stated in the Concessionaire’s proposal.

ZONING:

Land Use: Urban
County: Industrial (I-2)

TAX MAP KEY:

Honolulu International Airport, Island of Oahu, Hawaii
1st Division – 1-1-03:Portion of 1

LAND STATUS:

Section 5(a), Hawaii Admission Act –Non-Ceded
DHHL 30% entitlement lands Yes___ No X

TERM:

The Concession Agreement will be for five years commencing on October 1, 2011 and ending on September 30, 2016.

CONCESSION FEE:

Annual Concession Fee. The total annual Concession Fee shall be the greater of the Minimum Annual Guaranteed Fee for the first year of the Concession term as set forth in the Concessionaire’s Proposal or a Percentage Fee of 15% of gross receipts. The Minimum Annual Guaranteed Fee for each subsequent year of the Concession term shall be 85% of what was paid and payable in the prior year.

IMPROVEMENTS:

The Concessionaires will be required to construct any improvements contained in the Proposal or required for the operation of the concession. Such construction, if any, is required to be in accordance with DOT and county building standards.

BASIS OF AWARD:

The DOT will score the proposals based on the following criteria:

- | | |
|---|-----|
| A. Qualified Proposer's Prior Successful Experience | 20% |
| B. Quality and Content of Proposed Concession
Operation, Management and Administration | 20% |
| C. Itemized List Consisting of Makeup of Proposer's
Concession Vehicle Fleet | 15% |
| D. Quality and Content of Proposed Airport Shuttle
Service for Disabled Individuals | 15% |
| E. Quality and Content of Administrative and
Fiscal Procedures and Processes | 10% |
| F. Minimum Annual Guaranteed Fee for the First
Year of the Concession | 10% |
| G. Quality and Content of Additional Ideas Offered
by Qualified Proposer | 5% |
| H. Qualified Proposer's Financial References and
Capabilities | 5% |

REMARKS:

The successful proposal will stipulate how the Concessionaire will operate the Concession, from what areas of the airport the Concessionaire will provide service, how often the Concessionaire will provide service, and the minimum amount the Concessionaire will pay the DOT for the right to exclusively operate the Concession. The Concession provides a valuable service to the traveling public by providing an

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Action of January 8, 2010, Item M-3
Shuttle Bus Concession
Honolulu International Airport

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alternative to private vehicles, rental cars and taxis as a means of getting to and from the airport.

RECOMMENDATION:

That the Board rescind its prior action of January 28, 2010, under agenda Item M-3, and approve the issuance of a Request For Proposals to operate the Concession and the award of the Concession Agreement to the entity submitting the highest rated proposal under the terms, as are herein outlined, which are by reference incorporated herein, subject to:

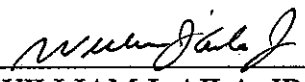
(1) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State and (2) review and approval by the Department of the Attorney General.

Respectfully submitted,



JEFFREY CHANG
Acting Director of Transportation

APPROVED FOR SUBMITTAL:



WILLIAM J. AILA, JR.
Interim Chairperson & Member



Deputy Directors
MICHAEL D. FORMBY
FRANCIS PAUL KEENO
BRIAN H. SEKIGUCHI
JIRO A. SUMADA

IN REPLY REFER TO:

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

January 8, 2010

Board of Land and
Natural Resources
State of Hawaii
Honolulu, Hawaii

Issuance of Non-Exclusive On-Demand Airport-Based Shuttle Bus Concessions
Honolulu International Airport OAHU

The Department of Transportation (DOT) proposes to offer two Non-Exclusive On-Demand Airport-Based Shuttle Bus Concessions at the Honolulu International Airport on the Island of Oahu. The following contains a description and summary of some of the major terms and conditions that the DOT anticipates incorporating into the Concession Agreement ("Agreement"):

PURPOSE:

To award Agreements to two qualified Concessionaires submitting the highest bids to operate non-exclusive Concessions at Honolulu International Airport.

LEGAL REFERENCE:

Chapter 102, Hawaii Revised Statutes, as amended.

LOCATION:

Honolulu International Airport (HNL), Terminal Building Complex.

PREMISES:

At Commencement of the Agreement.

1. Passenger Service Space.
 - a. Interisland Terminal Complex, Building 310 Space No. 151A, containing an area of approximately 73 square feet as shown on

BLNR – Issuance of a Non-Exclusive
On-Demand Airport-Based Shuttle Bus Concession
Honolulu International Airport
Page 2

Exhibit B-1 dated December 2009, attached hereto and made a part hereof.

- b. Interisland Terminal Complex, Building 310 Space No. 151C, containing an area of approximately 79 square feet as shown on Exhibit B-1 dated December 2009, attached hereto and made a part hereof.
- c. Diamond Head Extension, Building 341 Space No. 108A, containing an area of approximately 62 square feet as shown on Exhibit B-4 dated December 2009, attached hereto and made a part hereof.
- d. Diamond Head Extension, Building 341 Space No. 108D, containing an area of approximately 62 square feet as shown on Exhibit B-4 dated December 2009, attached hereto and made a part hereof.
- e. Ewa Extension Domestic Building, Building 344, Space No. 102F, containing an area of approximately 30 square feet as shown on Exhibit B-3 dated December 2009, attached hereto and made a part hereof.
- f. Ewa Extension Domestic Building, Building 344, Space No. 102G, containing an area of approximately 30 square feet as shown on Exhibit B-3 dated December 2009, attached hereto and made a part hereof.
- g. International Arrivals Building, Building 346, Space No. 104E, containing an area of approximately 31 square feet as shown on Exhibit B-2 dated December 2009, attached hereto and made a part hereof.
- h. International Arrivals Building, Building 346, Space No. 104F, containing an area of approximately 31 square feet as shown on Exhibit B-2 dated December 2009, attached hereto and made a part hereof.

2. Bus Parking and Passenger Pickup/Dropoff

- a. Space No. 610-203A, containing an area of approximately 657 square feet as shown on Exhibit B-5 dated December 2009, attached hereto and made a part hereof.
- b. Space No. 610-203B, containing an area of approximately 657 square feet as shown on Exhibit B-5 dated December 2009, attached hereto and made a part hereof.
- c. Space No. 610-171 F & G, containing an area of approximately 140 square feet as shown on Exhibit B-7 dated December 2009, attached hereto and made a part hereof.
- d. Space No. 610-171 H & J, containing an area of approximately 140 square feet as shown on Exhibit B-7 dated December 2009, attached hereto and made a part hereof.
- e. Space No. 610-193F, containing an area of approximately 857 square feet as shown on Exhibit B-6 dated December 2009, attached hereto and made a part hereof.
- f. Space No. 610-193G, containing an area of approximately 857 square feet as shown on Exhibit B-6 dated December 2009, attached hereto and made a part hereof.

ZONING:

Land Use: Urban
County: Industrial (I-2)

TAX MAP KEY:

Honolulu International Airport, Island of Oahu, Hawaii
1st Division – 1-1-03:Portion of 1

LAND STATUS:

Section 5(a), Hawaii Admission Act –Non-Ceded
DHHL 30% entitlement lands Yes___ No X

TERM:

Five (5) years.

CONCESSION FEE:

Annual Concession Fee. The total annual Concession Fee shall be the greater of the following:

- a. Minimum Annual Guaranteed Fee. The minimum annual guaranteed fee for the first year of the term of the Concession Agreements, as set forth in the Concessionaires' Bid Proposals; or
- b. Percentage Fee. Fifteen per cent (15%) of the Concessionaires' annual gross receipts generated from, related or attributable to, or connected with the operation of the concession.

IMPROVEMENTS:

The Concessionaires will be required to invest a minimum total of \$10,000.00 for improvements, certain fixtures and equipment on or within the premises of the spaces assigned under the Concession Agreement in accordance with DOT and county building standards.

BASIS OF AWARD:

The award of the Agreements will be to the two highest responsible bidders, based upon the total amount of the minimum annual guaranteed concession fee bid for the five-year term of the Agreement.

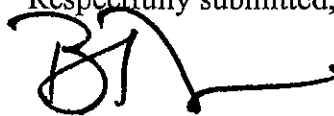
REMARKS:

The Non-Exclusive On-Demand Airport-Based Shuttle Bus Concessions at Honolulu International Airport should provide an improved level of customer services over the existing exclusive concession. The Non-Exclusive On-Demand Airport-Based Shuttle Bus Concessions provide a valuable service to the traveling public by providing an alternative to private vehicles, rental cars and taxis as a means of getting to and from the airport.

RECOMMENDATION:

That the Board authorize the call for sealed bid tenders and issuance of two new Non-Exclusive On-Demand Airport-Based Shuttle Bus Concessions as hereinabove outlined, subject to (1) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (2) review and approval of the Department of the Attorney General as to the agreement form and content.

Respectfully submitted,

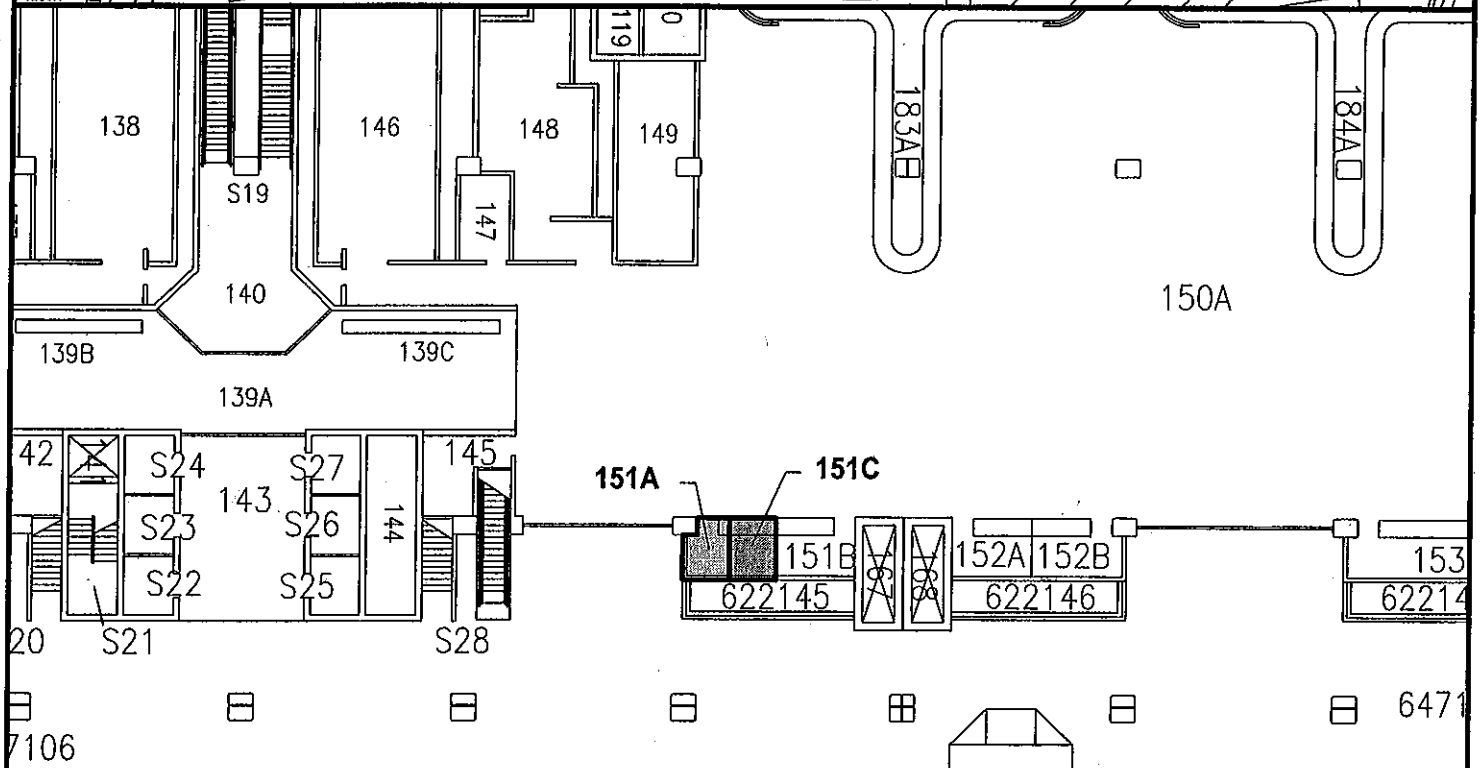
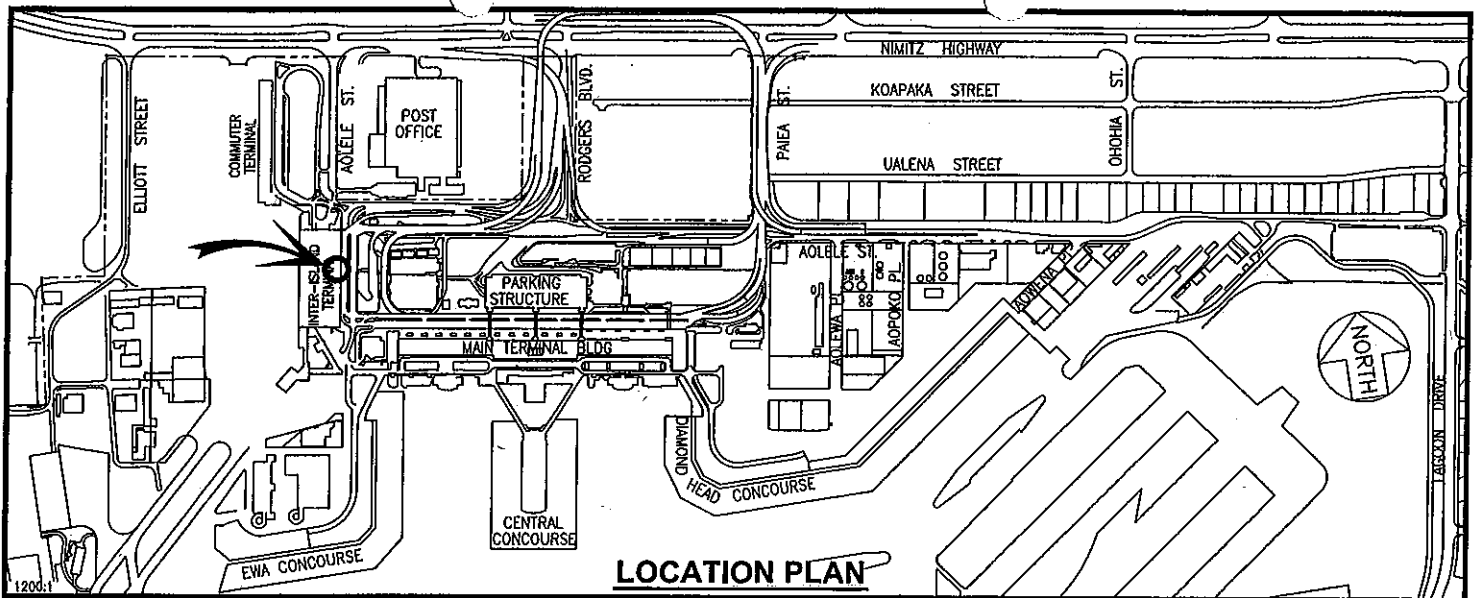


BRENNON T. MORIOKA, Ph.D., P.E.
Director of Transportation

APPROVED FOR SUBMITTAL:



LAURA H. THIELEN
Chairperson and Member



BLDG 310

SCALE: 1" = 30'

BLDG/ROOM	SQ. FT.
310 151A	73
310 151C	79

DATE : DECEMBER 2009

EXHIBIT: **B-1**



Airports Division

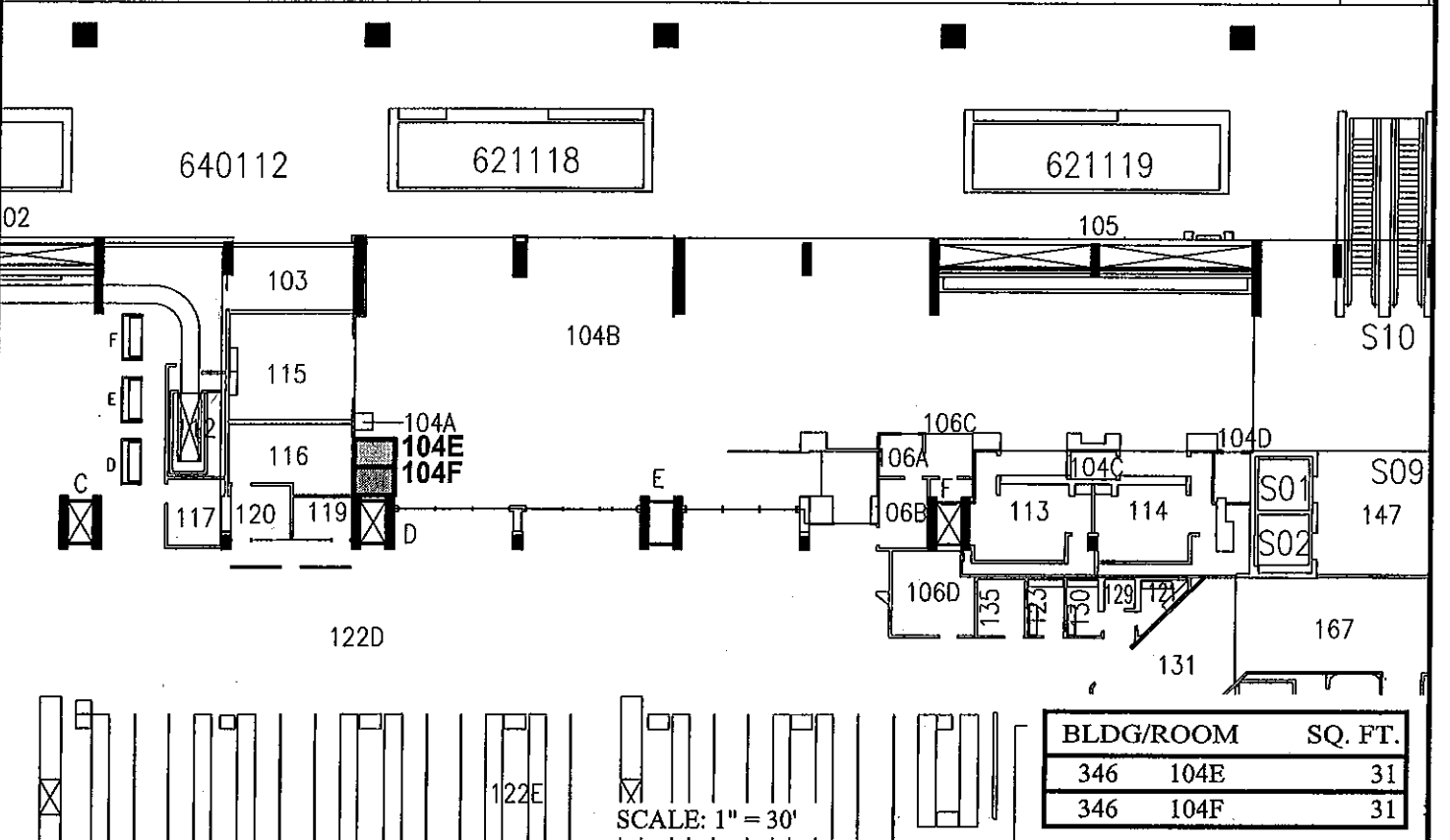
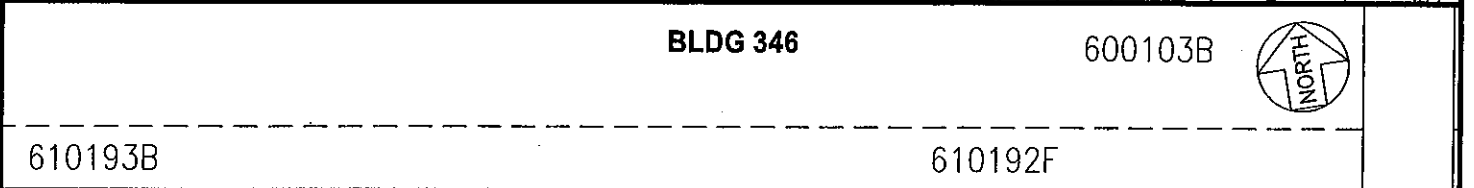
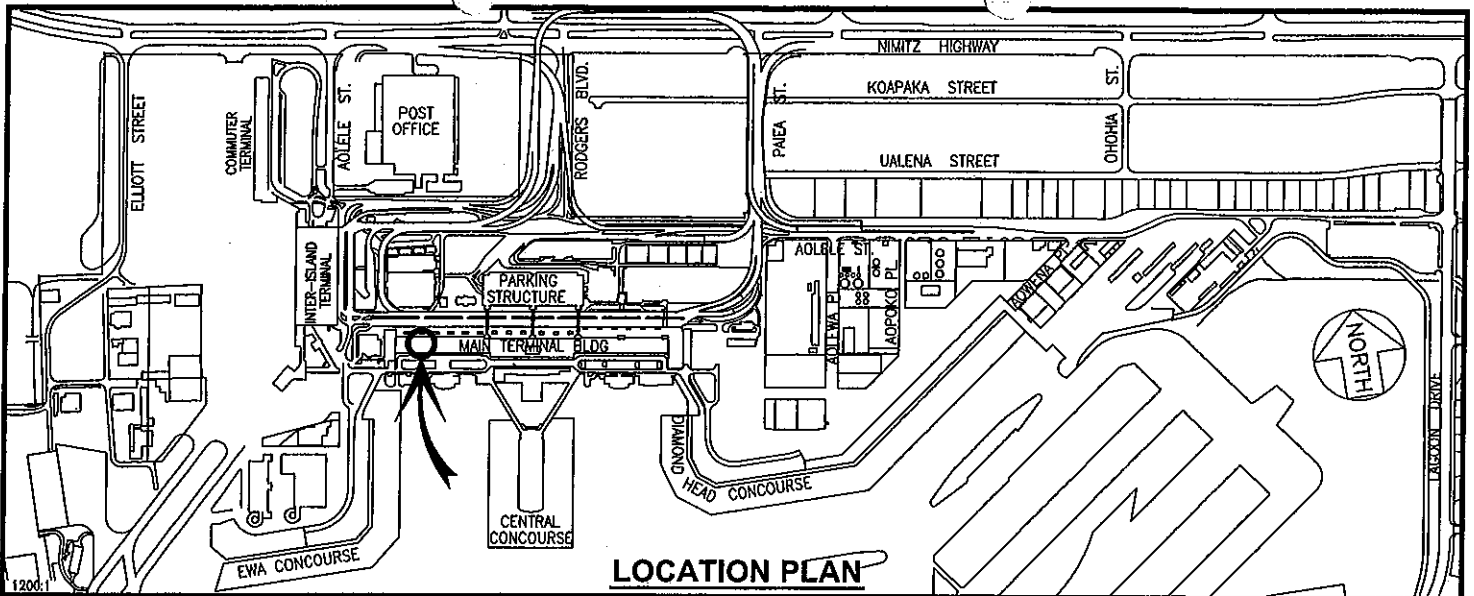
PASSENGER SERVICE

BUILDING 310
INTER-ISLAND TERMINAL
GROUND LEVEL

310151A
 310151C
 PLAT E1

HONOLULU INTERNATIONAL AIRPORT

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DATE : DECEMBER 2009

EXHIBIT: **B-2**



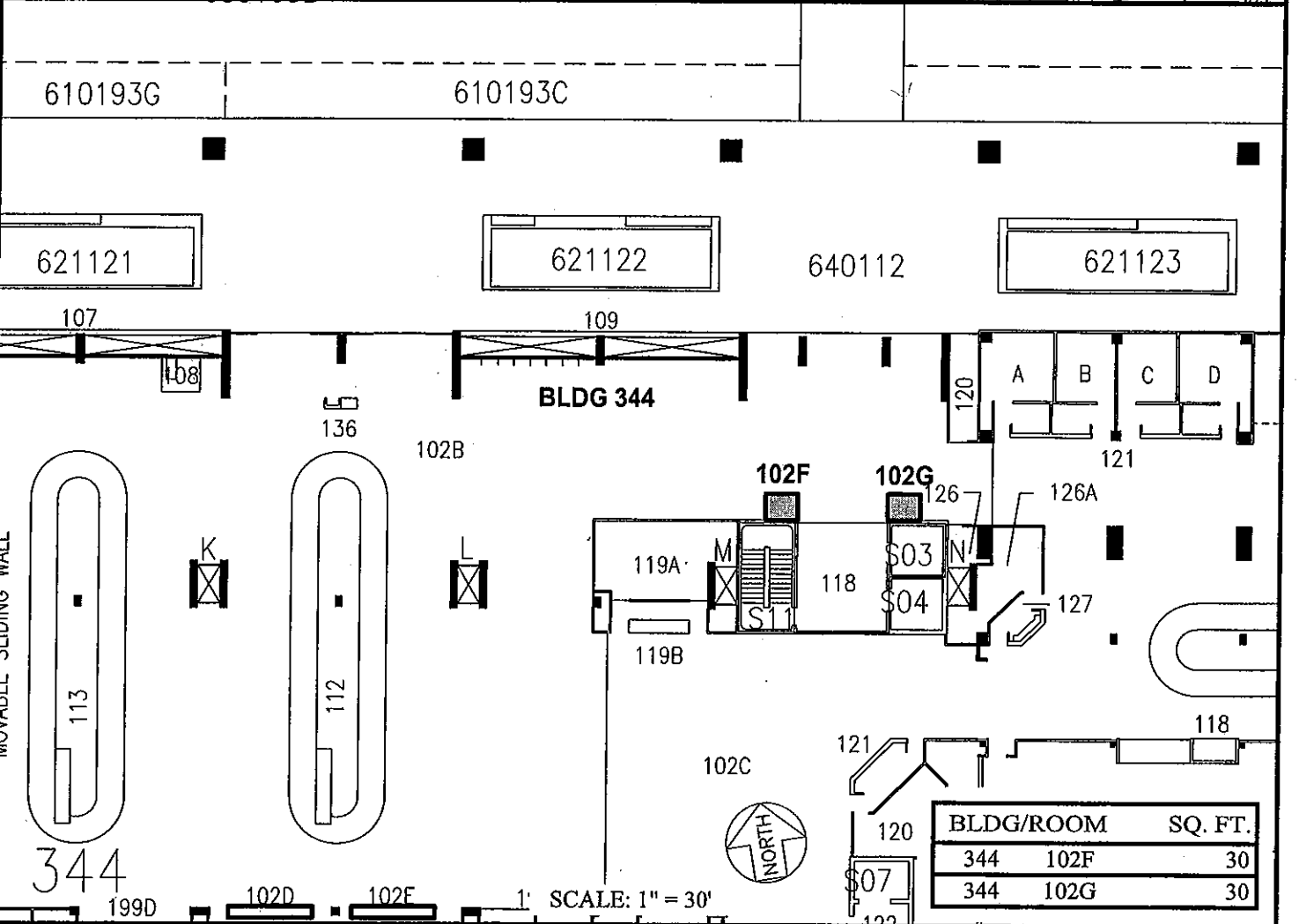
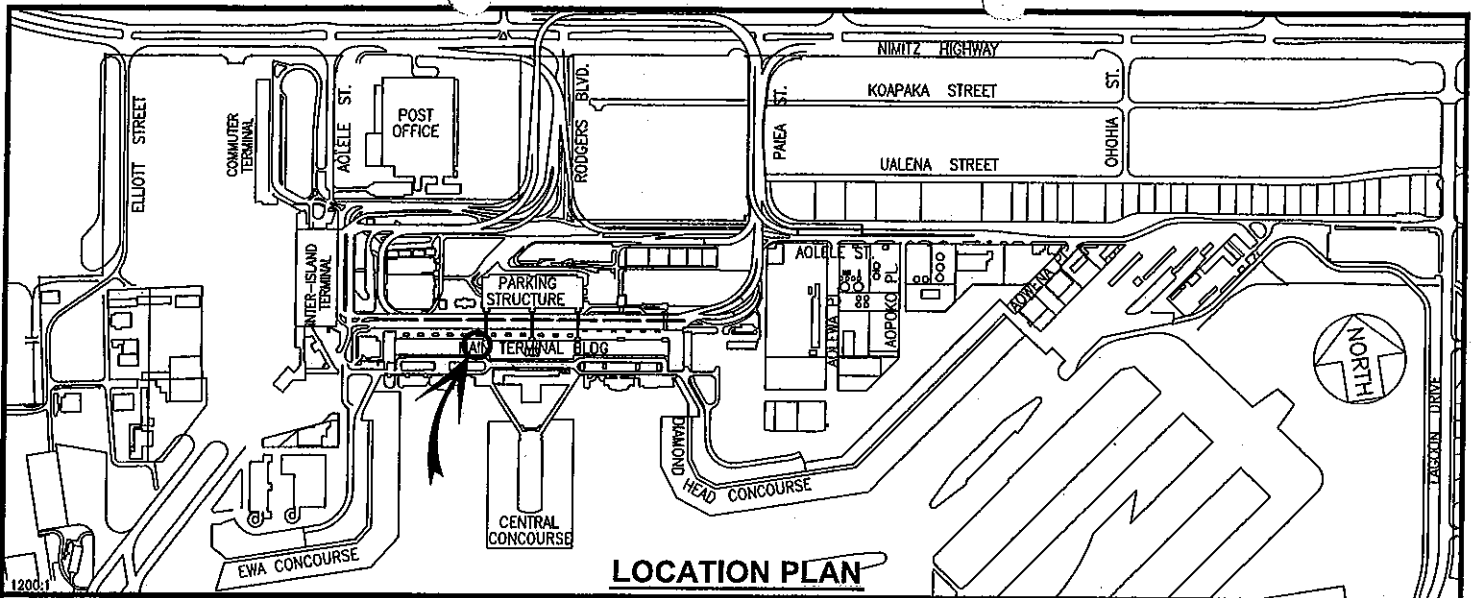
KIOSK SPACES

BUILDING 346
INTERNATIONAL ARRIVALS
GROUND LEVEL

346104E
346104F
PLAT E1

HONOLULU INTERNATIONAL AIRPORT

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DATE : DECEMBER 2009

EXHIBIT: **B-3**



Airports Division

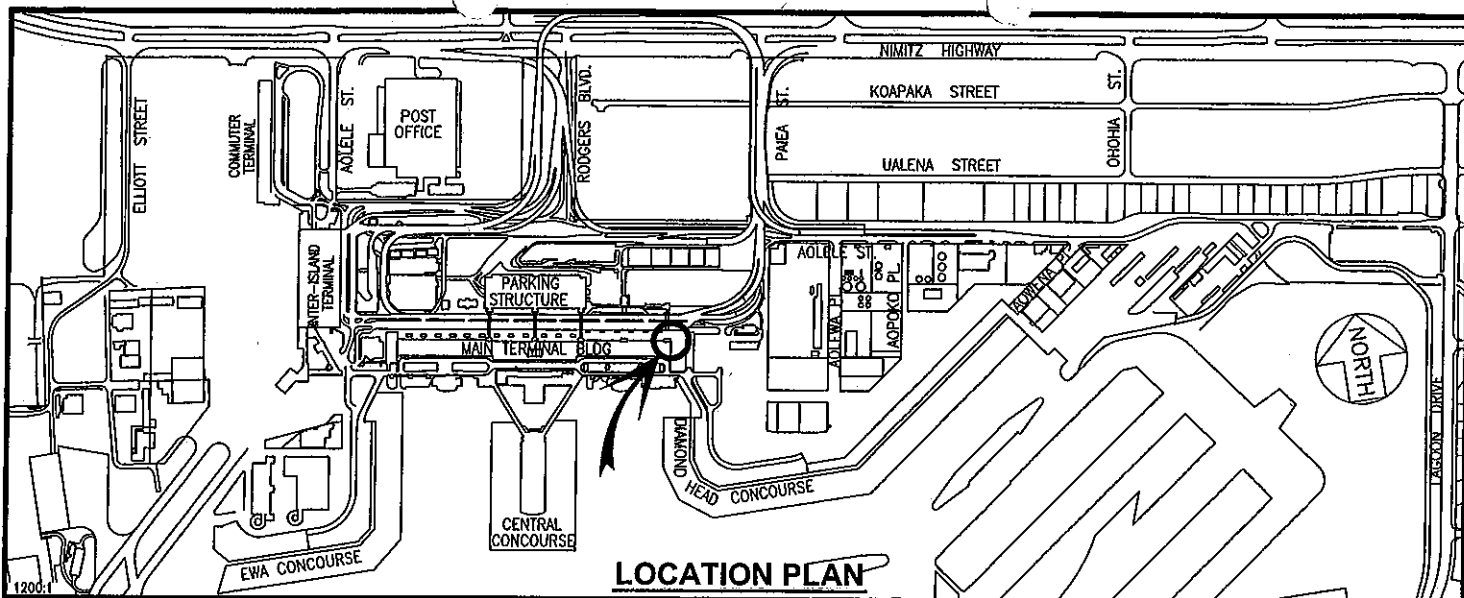
PASSENGER SERVICE

BUILDING 344
EWA DOMESTIC EXTENSION
GROUND LEVEL

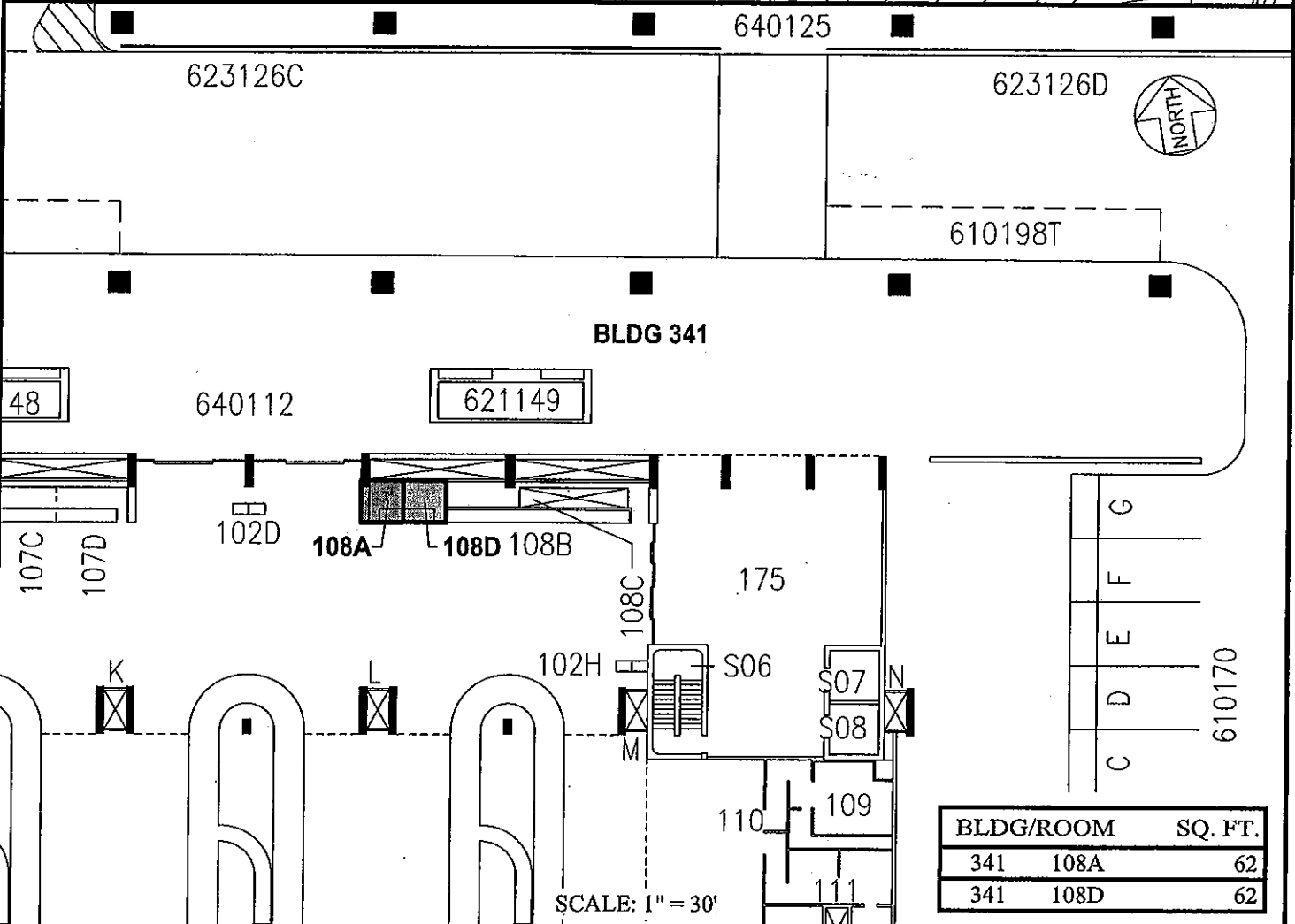
344102F
344102G
PLAT A1

HONOLULU INTERNATIONAL AIRPORT

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LOCATION PLAN



SCALE: 1" = 30'

BLDG/ROOM	SQ. FT.
341 108A	62
341 108D	62

DATE : DECEMBER 2009

EXHIBIT: **B-4**



Airports Division

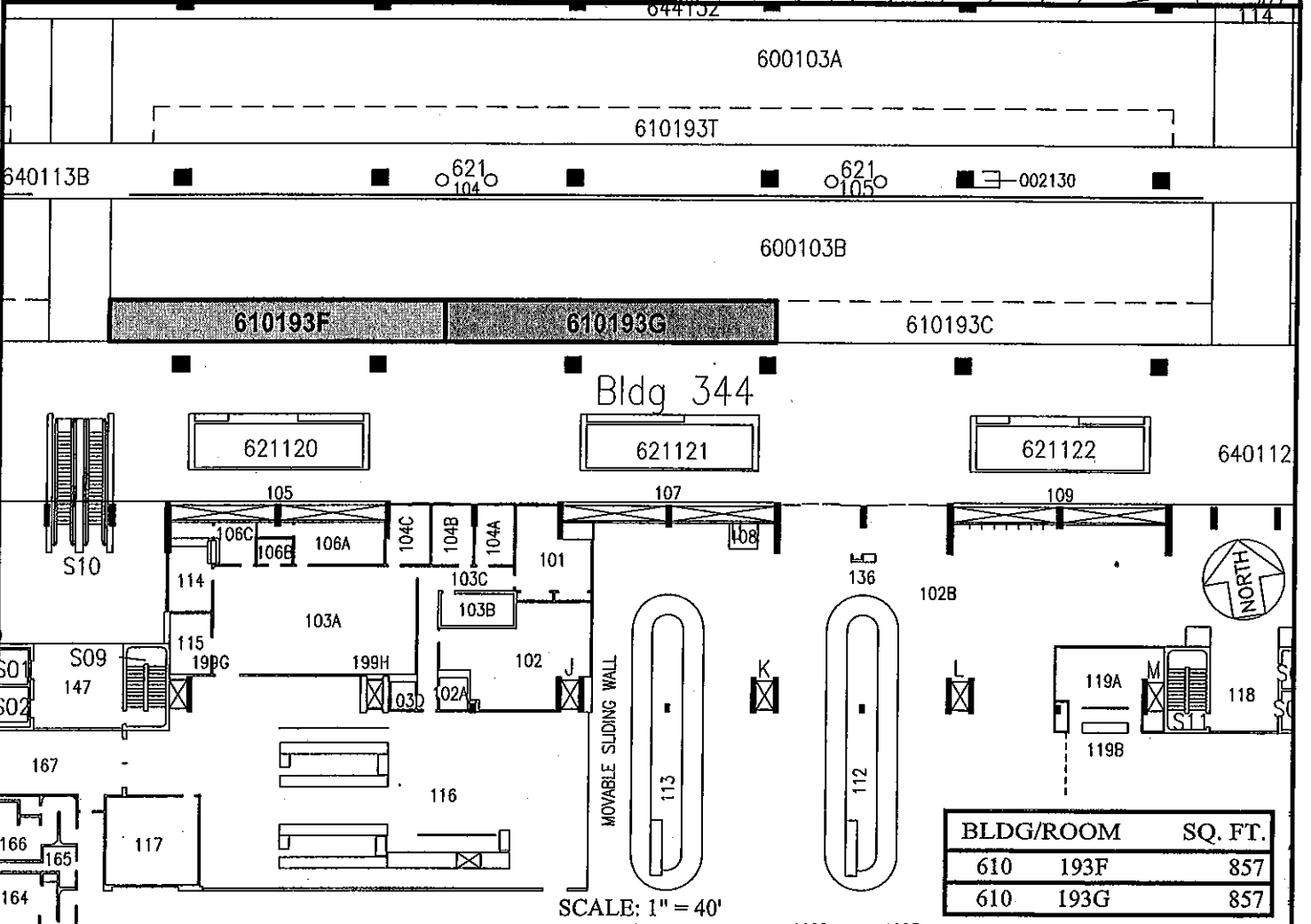
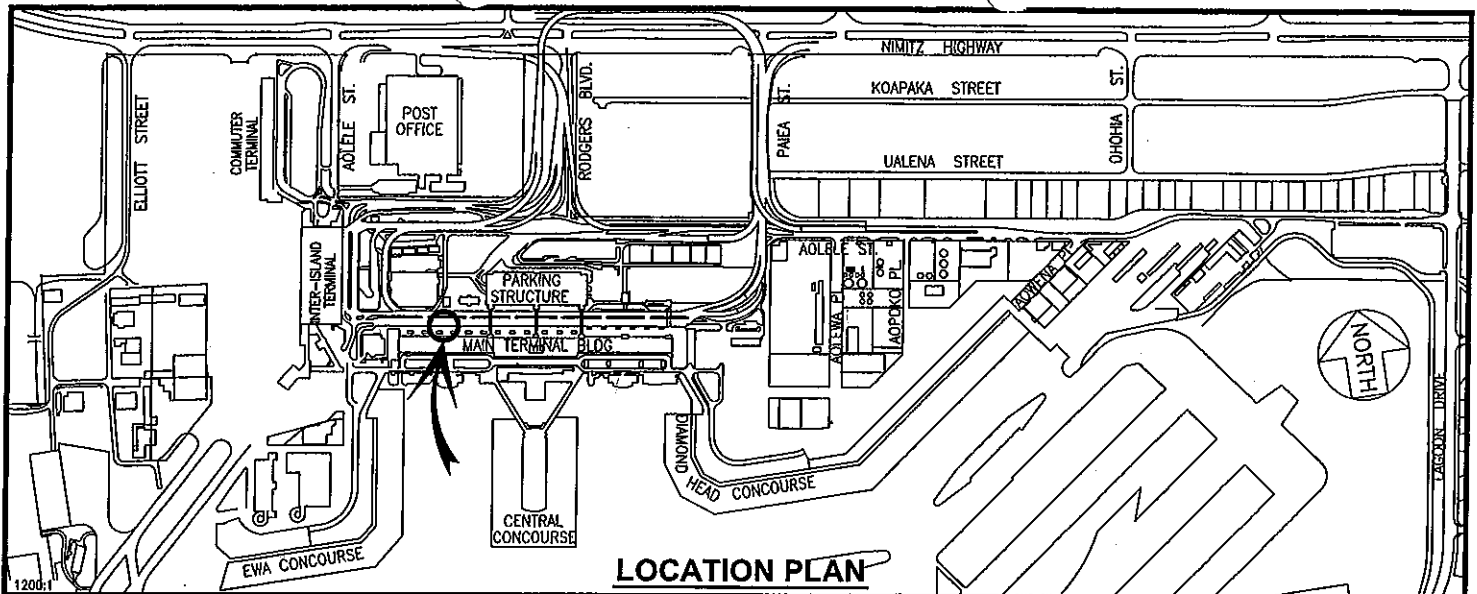
PASSENGER SERVICE

BUILDING 341
DIAMOND HEAD EXTENSION
GROUND LEVEL

341108A
341108D
PLAT A1

HONOLULU INTERNATIONAL AIRPORT

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DATE : DECEMBER 2009

EXHIBIT: **B-6**



Airports Division

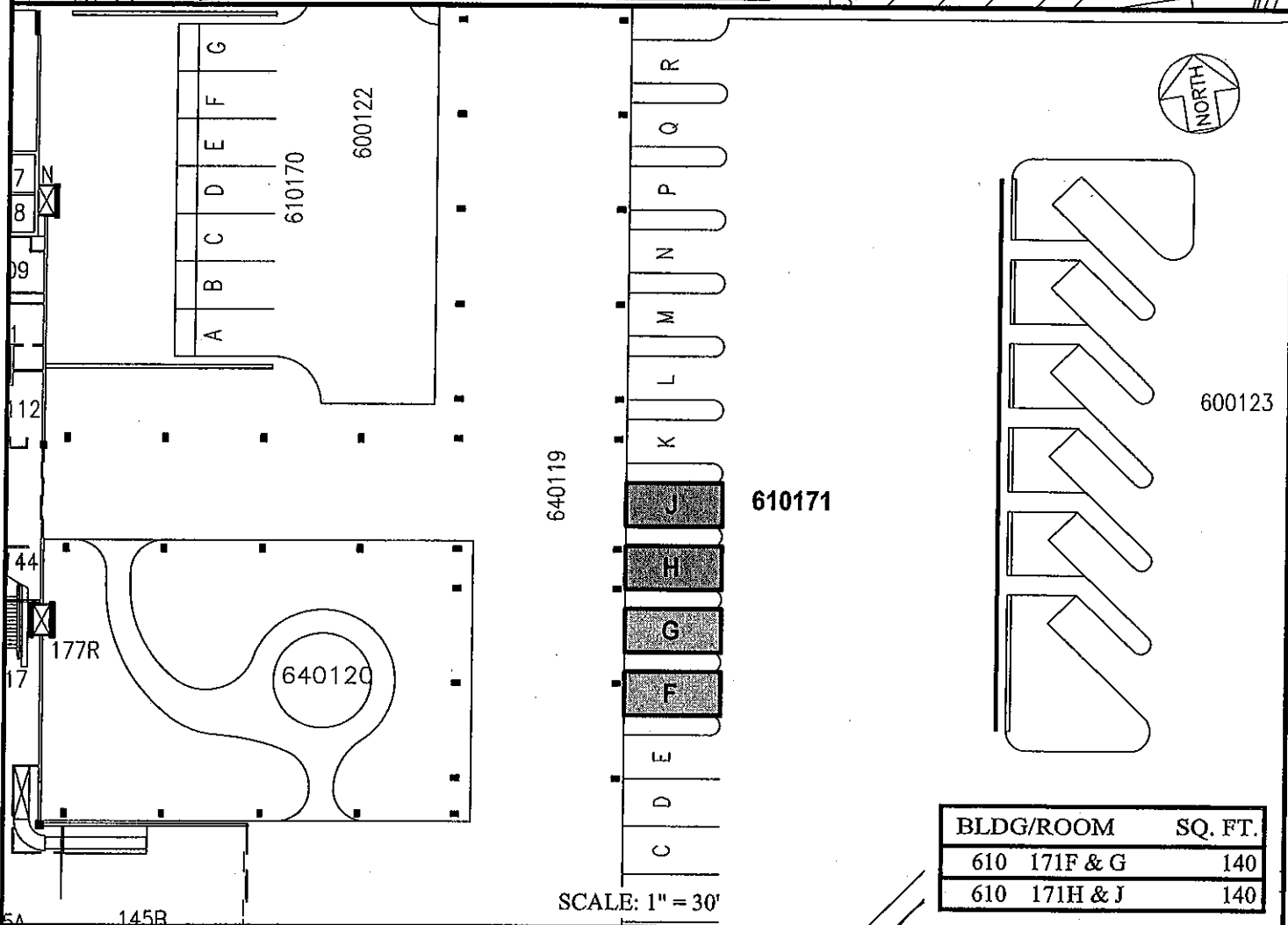
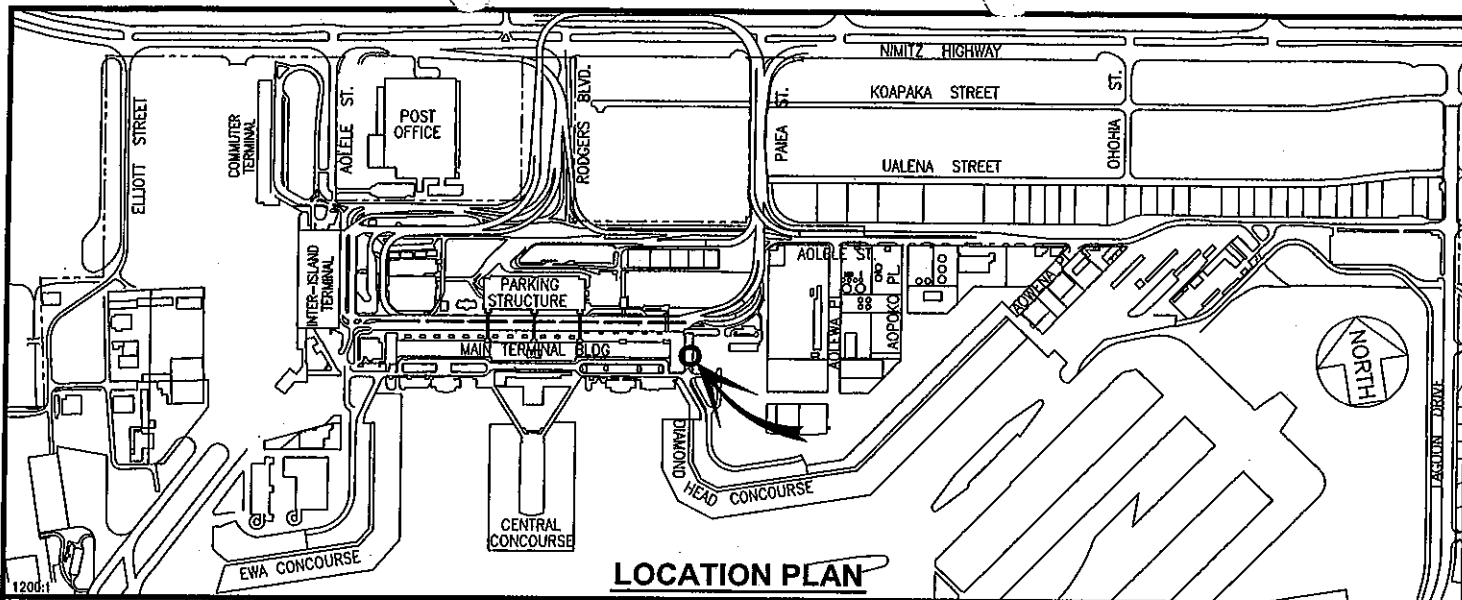
PASSENGER PICK-UP
PICK-UP / DROPOFF

BUILDING 344
EWA DOMESTIC EXTENSION
GROUND LEVEL

610193F
610193G
PLAT A1

HONOLULU INTERNATIONAL AIRPORT

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DATE : DECEMBER 2009

EXHIBIT: **B-7**



Airports Division

**PASSENGER
PICK-UP/DROPOFF**

**BUILDING 344
EWA DOMESTIC EXTENSION
GROUND LEVEL**

**610171F&G
610171H&J**

PLAT A1

HONOLULU INTERNATIONAL AIRPORT

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